#### **BRANDS AND CUSTOMER**

Tapan Chaudhuri : Senior Manager (Marketing)
SBU : LEATHER CHEMICALS
BALMER LAWRIE & CO.LTD.

#### What is a Brand?

• A **brand** is a name, term, sign, symbol, or design which is intended to <u>identify</u> the goods or services of one seller or group of sellers and to <u>differentiate</u> them from those of competitors.

# Essential Things to Learn About Brands

- 1. Brands are Elusive, Mysterious Realities of Business
- 2. Brands simplify the Value, Opportunity and Results you expect.
- 3. Brands influence customer choices at each Touch Point

3

# Essential Things to Learn About Brands

- 4. Brands define your Customer Experience
- 5. Brands connect customers to a "BIG IDEA"
- 6. Brands create Emotional Connections

# Essential Things to Learn About Brands

- 7. This emotional connection is at the heart of a Customer's Relationship with a Brand.
- 8. Brand is a language that simplifies the exchange between you, the customer and the business.

5

#### **Brand Building**

The essence of Brand building is to develop a loyal customer base. In doing so, the brand must confront the following issues:

- Trust
- Consistency
- Accessibility
- Responsiveness
- Commitment
- Affinity

6

### **Brand Equity**

• When a commodity becomes a brand, it is said to have 'equity'. It starts with a name and can go up or down depending on the marketing activity that is done by the marketer. A name becomes a brand when consumers associate it with a set of tangible and intangible benefits that they obtain from the product or service.

7

## **Building Brand Equity**

Marketers build Brand Equity by creating the right brand knowledge structures with the right customers

# Brand Equity - Competitive Advantage

- Reduced Marketing Costs
- Trade leverage
- Can easily launch Brand Extensions
- Can take some price competition

9

## **Brand Equity**

#### Five Major Determinants:

- Awareness
- Quality
- Perception
- Loyalty
- Patents and Trademark

# Tangibles of brand equity

- Shape
- Colour
- Size
- Models
- Price
- Features
- Benefits

Grades

11

## Intangibles of brand equity

- Company name
- Brand name
- Slogan and its underlying associations
- Perceived quality
- Brand awareness

- Customer base
- Trademarks and patents
- Channel relationships
- Customer loyalty
- Customer confidence
- Competitive advantage

12

#### **Power Brands**

The power brands not only stand for excellence in product or functional delivery, they are also supported by strong brand values

These brands move beyond the product they carry to develop customer value

13

# What do power brands have that others don't?

- A distinctive product
- Delivering brand promise
- Personality and presence

## Personality

- Emotional bond with the customer
- Generates relationships measurably stronger than ordinary brands

15

#### Presence

- Seem to be present everywhere, enforcing distinctiveness
- National/international scale
- Successful brand extensions
- Multiple concept and channels

#### Creating the brand

- Choosing brand name
- Developing rich associations and promises
- Manage customer brand contacts to meet and exceed customer expectations

17

### Choosing a brand name

- What does it mean?
- What performance/ expectations/ associations does it evoke?
- What degree of preference does it create?

#### Brand names should denote

- Product benefits
- Product quality
- Be easy to pronounce/remember/recognise
- Be distinctive
- Not have poor meanings in other countries or languages

19

#### **Brand Associations**

- owned' word
- Slogans
- Colours
- Symbols and logos

## **Brand Identity**

Brand Identity provides long term perspective and thereby makes the brand durable, it guides communications so that coherent and consistent signals flow to the outside world and finally, the brand remains realistic

2

#### **Brand Identity**

- A Brand Identity can be viewed from four perspectives:
- 1. Brand as Product
- 2. Brand as Organization
- 3. Brand as person
- 4. Brand as symbol

#### **Brand Awareness**

Brand Awareness is the first critical condition for achieving Brand Success.

The awareness of the brand is reflected in these measures:

- Brand Recognition
- Brand recall

23

#### **Brand Image**

Brand Image is decoded identity in the customer's mind.

Image refers to associations that are linked to the brand name.

Image forms a brand's reality from a customer's point of view.

### **Brand Positioning**

- Should not be over positioned
- Should not be under positioned
- Should not be ambiguous
- Should not promise irrelevant benefits
- Promise should be credible

25

#### **Brand Extension**

The important benefits

- Cost of New Launches
- Promotional Efficiency
- Customer Benefits
- Feedback Effects
- Returns

#### **Customer-Based Brand Equity**

- Basic premise: Power of a brand resides in the minds of customers
- Challenge is to ensure customers have the right types of experiences with products & services and their marketing programs to create the right brand knowledge structures:
  - Thoughts
  - Feelings
  - Images
  - Perceptions
  - Attitudes

2

# CUSTOMER-BASED BRAND EQUITY PYRAMID 4. RELATIONSHIPS = What about you & me? JUDGMENTS FEELINGS 3. RESPONSE = What about you? PERFORMANCE IMAGERY 2. MEANING = What are you? SALIENCE 1. IDENTITY = Who are you?

# Building Customer-Based Brand Equity

- Building a strong brand involves a series of steps as part of a "branding ladder"
- A strong brand is also characterized by a logically constructed set of brand "building blocks."
  - Identifies areas of strength and weakness
  - Provides guidance to marketing activities

29

# Building Customer-Based Brand Equity

- Brand knowledge structures depend on . . .
  - The initial choices for the brand elements
  - The supporting marketing program and the manner by which the brand is integrated into it
  - Other associations indirectly transferred to the brand by linking it to some other entities



















